
 <p>COMMUNITY LIVING Belleville and Area <i>Inspiring Possibilities</i></p>	<p>POLICIES & PROCEDURES MANUAL</p>
<p>SECTION 1 – FINANCE</p> <p>POLICY #11</p>	<p>SUBJECT – Purchases</p>
<p>APPROVED:  Executive Director</p>	<p>DATE APPROVED: February 1, 2002</p>
<p>REVISION DATE: February 14, 2012, May 22, 2008, October 16, 2003</p>	<p>PAGE 1 OF 4</p>

PREAMBLE

Community Living Belleville and Area is a non-profit, charitable organization whose mandate is to serve persons with developmental disabilities and their families. The Province of Ontario wholly funds the services provided. It is, therefore, the duty and responsibility of the Executive Director and management staff to properly manage the assets of the Corporation and when requested the assets of individuals who receive a disability income under the Ontario Disability Support Program (ODSP). Accordingly, necessary and appropriate financial controls have been established to ensure that capital and cash assets are not exposed to risk.

POLICY STATEMENT

All Purchase Orders (Appendix A) must be authorized by the manager of the cost centre or a member of the Senior Management team. Receipts of purchases must be submitted to the Finance Department along with copies of Purchase Orders. The person authorizing the purchase shall **not** be the person who makes the purchase. If the person authorizing the Purchase Orders must make a purchase, this purchase must be pre-authorized by the Director of Services or the Executive Director.

PROCEDURE

1. The Community Services Manager shall complete and sign Purchase Orders up to a \$1,000 limit, for all purchases of supplies, equipment or services except:
 - a) Small items such as gasoline for which the preparation of a Purchase Order is impractical and for which an invoice or receiving slip signed by an employee will serve as purchase authorization. The license plate number of the Community Living Belleville and Area vehicle shall be recorded on the gas purchase receipt and initialed by the driver after each purchase.

- b) Food purchases, in which case the receiving slip/invoice signed by an employee will serve as purchase authorization – Reference **Policy #16**.
 - c) Purchases out of petty cash or cash advances detailing items to be purchased. Such purchases are to be used only for extreme expediency or cost savings.
 - d) Emergency orders in which case the manager of the cost centre shall initiate the completion of a '*confirmation only*' Purchase Order.
2. Blank Purchase Orders will be kept in the Finance Department.
 3. A supply of blank Purchase Orders shall be provided to each Community Services Manager after applying to each purchase order a stamp bearing the following **"This order valid only for orders totaling less than \$1,000.00"**. The Finance Assistant will record the Purchase Order numbers, the date they were given to the Community Services Manager and the Community Services Manager's name.
 4. The Community Services Manager will be responsible for recording the Purchase Order numbers and will complete and authorize up to four (4) Purchase Orders in each home for the staff members making purchases. The staff member will sign for the individual Purchase Order and assume responsibility for the purchase of goods and items.
 5. The Community Services Manager or individual making the purchase will write the name of the supplier on the Purchase Order before it leaves the home.
 6. The staff member will provide the supplier with the white copy of the Purchase Order.
 7. The staff member will sign all receipts and the Community Services Manager will attach the receipts to the Purchase Orders before passing them on to the Finance Department.
 8. The Community Services Manager will review items purchased and reconcile these with the receipts and the Purchase Order before submitting the goldenrod copy of the Purchase Order with the receipts attached to the Finance Department. The Community Services Manager will retain the yellow copy of the Purchase Order.
 9. The Finance Assistant will match the receipts submitted with the Purchase Order and the invoices. The Finance Assistant will then record the entry in

the financial system and pay the supplier. Should the Finance Assistant notice any discrepancies or unusual purchases, she shall inform the Director of Finance who will confirm the purchases with the Director of Services or the Executive Director.

10. The Director of Services and/or the Director of Finance shall conduct "spot" audits of goods purchased from time to time to verify that the goods purchased are accounted for in the intended location.
11. All Purchase Orders greater than \$1,000.00 shall be authorized by one of the following: the Executive Director, the Director of Services, the Director of Finance or the Director of Human Resources and Development.
12. Receipt of goods shall be the responsibility of the individual designated responsible to receive the goods but this shall **not** be the person who has authorized the purchase. In a situation where the person receiving the goods is the same as the person authorizing the Purchase Order, the Purchase Order shall have a second authorizing signature.
13. Upon receipt of goods, the receiving copy of the Purchase Order will be removed by the receiver from the "*Open Order Receiving File*" and the receiver shall sign that the goods have been received.
14. Upon receipt of the invoice, the Finance Assistant shall forward the invoice to the appropriate manager of the cost centre for vendor and account coding and matching with the signed receiving copy or packing slip.
15. Upon receipt of the invoice from the Finance Department, the signed copy and packing slips shall be attached to the invoice. The invoice shall then be account coded using the Account Code Listing.
16. The invoice will be checked to ensure that the order has been received in full. If the order has not been received in full, backordered items shall be noted on the receiving copy of the Purchase Order and a photocopy of such returned to the "*Open Order Receiving File*" with backordered items clearly identified.

